

Message Text

LIMITED OFFICIAL USE

PAGE 01 NASSAU 00378 052122Z

62

ACTION ARA-10

INFO OCT-01 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00

CIEP-01 COME-00 DODE-00 EB-07 FPC-01 H-01 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-01 TRSE-00 FRB-03 /081 W

----- 034363

R 051934Z MAR 75

FM AMEMBASSY NASSAU

TO SECSTATE WASHDC 6483

LIMITED OFFICIAL USE NASSAU 378

E. O. 11652: N/A

TAGS: EFIN BF VE ENRG ECIN

SUBJ: VENEZUELAN OIL SCHEME

REF: (A) STATE 35499; (B) NASSAU A-1

1. EMBASSY HAS MADE INQUIRIES OF MINEXTAFFS AND MINFIN CONCERNING VENEZUELAN FUEL PAYMENT SCHEME. NEITHER ARE AWARE OF ANY VENEZUELAN OFFER TO THE BAHAMAS NOR OF THE VENEZUELAN PROPOSAL IN GENERAL.

2. TOTAL BAHAMIAN IMPORTS FOR 1974 WERE \$1.9 BILLION AND EXPORTS WERE \$1.4 BILLION. THE BAHAMAS IMPORTED 14.4 MILLION LONG TONS (VALUE \$1.5 BILLION) OF CRUDE OIL IN 1974. IMPORTED VENEZUELAN CRUDE ACCOUNTS FOR ONLY TWO PERCENT (343,039 LONG TONS; \$33.6 MILLION) OF THAT AMOUNT. (FOR MORE DETAILED INFORMATION ON OIL IMPORTS AND EXPORTS SEE REF B.)

3. ALTHOUGH GCOB DOES NOT KEEP DOMESTIC OIL CONSUMPTION FIGURES, BORCO ESTIMATES THAT THE BAHAMAS CONSUMES 4.9 MILLION BARRELS PER YEAR - TWO PERCENT OF BORCO'S REFINING CAPACITY OF 500,000 BARRELS PER DAY AND LESS THAN 0.5 PERCENT OF IMPORTED CRUDE.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NASSAU 00378 052122Z

4. ALTHOUGH THE BAHAMAS' BALANCE OF TRADE IS NEGATIVE THEIR SURPLUS EXTERNAL RESERVES REMAIN POSITIVE (\$51.1 MILLION) AND INDEED SHOWED A NET INCREASE IN 1974 OF \$7.9 MILLION (PERCENTAGE CHANGE OF PLUS 18.3) OVER 1973. THE BAHAMAS HAS NOT BEEN ADVERSELY AFFECTED BY THE OIL PRICES, IN FACT THE EFFECT HAS NOT BEEN AS HEAVY AS EXPECTED. THE INCREASE COST WAS PASSED TO THE CONSUMER AND THE LARGEST CONSUMER OF OIL IS THE TOURIST WHO PROVIDES A LARGE SHARE OF FOREIGN EXCHANGE (APPROXIMATELY 60 PERCENT OF EXPORTS AND TRANSFERS EXCLUDING OIL AND BANKING). THE REMAINING AMOUNT OF OIL CONSUMED BY BAHAMIANS HAS BEEN WELL FINANCED BY THE TOURIST. SINCE THE BAHAMAS DOES NOT HAVE A BALANCE OF PAYMENT PROBLEM AND FORESEES NO DIFFICULTY IN OBTAINING, WHEN NEEDED, DEVELOPMENT FUNDS FROM THE REGULAR INTERNATIONAL DEVELOPMENT LENDING INSTITUTIONS, IT IS UNLIKELY THAT THEY WOULD BE INTERESTED IN THE VENEZUELAN SCHEME IF IT WERE TO BE OFFERED TO THEM.
WEISS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IMPORTS, EXPORTS, DATA, PETROLEUM, DIPLOMATIC DISCUSSIONS, CREDIT AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 05 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975NASSAU00378
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750077-0714
From: NASSAU
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750381/aaaacunb.tel
Line Count: 78
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 35499, 75 NASSAU A-1
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 03 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 SEP 2003 by ElyME>; APPROVED <18 DEC 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: VENEZUELAN OIL SCHEME
TAGS: ETRD, ENRG, ECIN, BF, VE
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006